

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL EXPRESS CONTRACT 16 (MC2014-12)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2014-16

**NOTICE OF UNITED STATES POSTAL SERVICE OF
AMENDMENT TO PRIORITY MAIL EXPRESS CONTRACT 16,
WITH PORTIONS FILED UNDER SEAL**
(November 22, 2016)

The Postal Service hereby provides notice that the terms of Priority Mail Express Contract 16, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Express Contract 16 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day following the day that the Commission completes its review of this filing.

This amendment will not have a material effect on the cost coverage of Priority Mail Express Contract 16. Therefore, the supporting financial documentation and financial certification initially provided in this docket remain applicable. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the material that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.

Chief Counsel, Pricing and Product Support

Elizabeth A. Reed

475 L'Enfant Plaza West, S.W.

Washington, D.C. 20260-1137

(202) 268-3179, Fax -6187

elizabeth.a.reed@usps.gov

November 22, 2016

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL EXPRESS CONTRACT 16

**AMENDMENT
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING PRIORITY MAIL EXPRESS SERVICE**

WHEREAS, the United States Postal Service ("the Postal Service") and [REDACTED] ("Customer") entered into a shipping services contract regarding Priority Mail Express service on December 4, 2013.

WHEREAS, the Parties desire to amend Sections I.J and III for Customer under this contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Commission issues all necessary regulatory approval.

[Replace Section I.J in its entirety as follows:]

I. Terms

J. Annual Adjustment

1. Beginning on the effective date of this Amendment and for all subsequent contract years, on the anniversary of the contract's effective date, customized prices under this contract will be the lesser of: a) the previous year's prices plus the most recent (as of the anniversary date) average increase in prices of general applicability, as calculated by the Postal Service, for Priority Mail Express Commercial Base, or b) the previous year's prices plus [REDACTED]
2. Customized prices for the subsequent years will be calculated by the Postal Service and rounded up to the nearest whole cent. If the Postal Service maintains or decreases published prices of general applicability for Priority Mail Express Commercial Base, there shall be no change to contract pricing for that Contract Year.

[Replace Section III in its entirety as follows:]

III. Expiration Date and Termination

This contract shall expire four (4) years from the effective date, unless (1) terminated by either Party with thirty (30) days notice to the other Party in writing, (2) renewed by mutual agreement in writing, (3) superseded by a subsequent contract between the Parties, (4) ordered by the Commission or a court, or (5) required to comply with subsequently enacted legislation.

If, at the conclusion of this contract term, both parties agree that preparation of a successor NSA is active, the NSA will be extended for up to two (2) ninety (90) day periods with official notification to the Commission at least seven (7) days prior to the expiration date of the contract. Upon both parties agreement of the extension, the escalation clause will be implemented in Sections I.H and I.J, throughout the extension period.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: Cliff Rucker

Printed Name: Cliff Rucker

Title: Senior VP Sales

Date: 10/31/16

